

W-03443A-15-0271



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ORIGINAL

Arizona Corporation Commission

Utilities Complaint Form

Investigator: Deborah Reagan

Phone: <<< REDACTED >>>

Completion Date: 8/20/2015 11:23 AM

Priority: Please respond within 5 business days

2015 AUG 20 PM 2 40

Opinion Number: 2015 - 123961

Opinion Codes:

Opinion Date: 8/17/2015 8:21 AM

Rate Case Items - Opposed

First Name: Mark

Last Name: Moses

Account Name: Mark Moses

Street Address: <<< REDACTED >>>

City: Chino Valley

State: AZ

Zip Code: 86323

<<< REDACTED >>>

<<< REDACTED >>>

<<< REDACTED >>>

Company: Appaloosa Water Company

Division: Water

Joe Cordovana

<<< REDACTED >>>

<<< REDACTED >>>

Nature Of Opinion:

Docket Number: W-03443A-15-0271

Docket Position: Against

Appaloosa Water Company (AWC) is non-compliant in several areas and should not be 'rewarded' with a rate increase until they comply with Arizona Corporation Commission and Town of Chino Valley requirements. Non-compliance is outlined below: -Arizona Corporation Commission (ACC) decision #74787 ordered AWC to install an emergency generator sufficient to run the company's high yield well & to install a large storage tank. Compliance was required by 7/31/15. To date, AWC has not complied. -At the same time as ACC's decision #74787 it was determined AWC was not in compliance with ADWR requirements governing water companies or community water systems. Compliance was ordered within 6 months. To date, AWC is still non-compliant. -AWC is out of compliance with the Town of Chino Valley fire flow requirements. During past power outages due to thunder storms, AWC water pressure has dropped significantly. If a fire occurs, water flow will not be sufficient to provide protection.

Joe Cordovana owns Artesian Holdings LLC, Three States Investment Group, Inc. & Appaloosa Water Company. In 2006 Artesian Holdings incurred \$1.3M in debt from Three States Investment Group. Artesian Holdings expects Three States Investment Group will be calling the note. In Mr. Cordovana's Financing Application to the Arizona Corporation Commission (ACC) he wants Appaloosa Water Company to incur the \$1.3M debt so he can pay back Three States Investment Group (aka himself). More egregious, Mr. Cordovanna submitted a very different year-end balance sheet for Appaloosa Water Company to the ACC with his Annual Water Report than the report provided to customers serviced by Appaloosa Water Company. There is no reason for Appaloosa Water Company to incur this debt just because Mr. Cordovanna needs to juggle funds! I request that the ACC reject this Appaloosa Water Company Financing Application.

Notes:

Date:

User:

Submitted By:

Note Type: 2015

Arizona Corporation Commission

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8/20/2015

Deborah Reagan

Telephone

Investigation

Comments entered for the record and filed with Docket Control.
